

4/9/99

Senate Commerce Committee Hearing  
Opening Comments

Good morning. I am Bill Hybl, President of the United States Olympic Committee. I appreciate the opportunity to address you today.

I. Salt Lake City

The USOC's primary mission is to support and help prepare young American men and women to do their best at the Olympic Games. It does that well. Among the USOC's secondary missions is selecting and overseeing United States candidate cities seeking to host the Olympic Games. It is here that the USOC has fallen short. The USOC did not exercise appropriate oversight with respect to the international candidature of the Salt Lake City Bid Committee.

Under the rules of the International Olympic Committee (IOC) a nation may put forward, through its National Olympic Committee, one candidate city seeking to host the Olympic Games. It is the responsibility of the USOC to first select the US city, if any, that will be put forward to the IOC and to then oversee that city's candidacy during the selection process governed by the IOC.

Soon after bribery allegations surfaced concerning the selection of Salt Lake City as the host

of the 2002 Winter Games, the USOC began an investigation to determine the facts in this particular case and to make recommendations for future action. The USOC took two actions. First, it asked outside counsel to conduct an internal investigation and report to the USOC regarding the USOC=s role in the Olympic candidate city controversy. Second, the USOC appointed a Special Bid Oversight Commission, chaired by Senator George Mitchell, to make recommendations concerning host city selection process. The USOC provided to the Special Commission the entire internal investigative report prepared by its outside counsel as well as reports prepared by the Salt Lake Organizing Committee=s Ethics Committee and by the IOC=s investigative group.

The Special Commission concluded, among other things, that the USOC exercised inadequate oversight of Salt Lake City=s bid to host the 2002 Olympic Winter Games, and allowed its International Assistance Fund to be used to facilitate Salt Lake City=s bid. In short, the USOC bears some responsibility for what happened in Salt Lake City.

As to the 2002 Winter Games in Salt Lake City, we are working hard to assure that those Games are a success. Utah Governor Mike Leavitt and the leadership of Salt Lake City have worked hard to turn around the situation there. We are optimistic that Mitt Romney, the new President and CEO of the Salt Lake Organizing Committee, will provide the leadership necessary for the 2002 Olympic Winter Games to be a great success. Going forward, the USOC will endeavor to assist Salt Lake City in a number of ways, including establishing a USOC presence in Salt Lake City at the Executive Offices of the Salt Lake Organizing Committee.

## II. USOC Reforms

The USOC takes very seriously its responsibility to make the changes necessary to insure that, to paraphrase remarks of Governor Leavitt, Awhat began before Salt Lake City ends there@. Future competitions to select U.S. candidate cities and Olympic Games host cities should be conducted in a manner consistent with the ideals of good will and fair play that are embodied in the Olympic Movement.

Two years ago, the USOC began a process which will result in selection in 2002 of a United States city to be a candidate to host the 2012 Olympic Games. We recognized at that time the need to guide and oversee this process so that difficulties do not arise in the future. To facilitate the development of further recommendations for improvements in this area, the USOC provided to the Special Commission the USOC rules and agreements governing the process for selecting a US city as a candidate to host the 2012 Games.

The Special Commission made a number of recommendations. The USOC has accepted them all. Where it has the authority, the USOC Executive Committee has already implemented those recommendations. Those changes requiring full Board of Directors= approval will be presented at the Board=s next semi-annual meeting. Changes in bid city guidelines and agreements are in process.

Bid cities in this country will be prohibited from directly paying the expenses of USOC

members. Travel by USOC staff and volunteers in connection with bid city matters will be paid out of a central fund administered by the USOC. The USOC will no longer allow bid or candidate committees to have international assistance programs with National Olympic Committees. Stricter enforcement criteria will apply to grants under its International Assistance Fund. The USOC's agreement with its candidate city will strengthen the USOC's oversight authority.

In addition to the Special Commission's recommendations, the USOC has initiated several of its own reforms. The reforms we have adopted include open board and executive committee meetings, and open records. We are attempting to create a process that is as open as possible so that all may be confident that the selection of a host city is done on the basis of appropriate considerations. A complete, detailed list of the reforms that have been or are being instituted by the USOC has been submitted to the Committee.

### III. IOC Reforms

As I know you are aware, the International Olympic Committee has recently announced its own reform measures, including the establishment of a reform commission - - IOC 2000. As the Special Commission concluded, it will be impossible to improve policies and procedures related to bid city processes within the United States, and worldwide, unless there are significant changes made by and within the IOC.

At this time, we believe that the IOC 2000 effort is sincere and that the IOC is committed to

reform. United States members of IOC 2000 include Dr. Henry Kissinger, Mr. Peter Ueberroth and IOC Vice President Anita DeFrantz. I have also agreed to serve as a member of IOC 2000.

The reform efforts proposed by the IOC, including IOC 2000, reflect a broad mandate and a focus on the same key reform issues that the USOC, and the members of this Committee, want addressed. These include changing IOC governance and the process for the selection of host cities, as well as establishment of an IOC ethics commission and publication of the IOC=s audited financial statements.

This process will move quickly, with IOC 2000 presenting its final report this year for implementation in 2000. On an ongoing basis, we will report to this Committee on the reforms and their implementation. IOC 2000 should be given a chance to achieve its mandate. If it doesn=t, it will be obvious to all concerned. There certainly will be time to take appropriate action.

There is one change in the legal framework that the USOC does hope to effect in accordance with the recommendations of the Mitchell Commission, and that is to make the IOC a Apublic international organization@ for purposes of the Foreign Corrupt Practices Act. We believe this can be done by the President with an Executive Order, and does not require legislation, as we understand existing law, and we have requested that the President issue the appropriate Executive Order.

#### IV. Conclusion

Mr. Chairman and Committee Members, on behalf of the United States Olympic Committee, I thank you for the concern and effort you have put into addressing this crisis in the Olympic Movement. We believe we are now on the right path, and that the Olympic Movement worldwide will emerge stronger, more effective and more accountable in its commitment to the hopes and dreams of athletes everywhere.